



TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

MAR 06 2008

Re:

Union =

This letter is to inform you that your request for a waiver of the minimum funding standard for the above-named plan for the plan year ending December 31, has been denied.

The Plan's contributing employers are engaged in the construction industry. At one time, over 15 national contractors contributed to the Plan on behalf of over 180 participants. Many of these contractors ceased operations in the jurisdiction of the Union and were not required to pay any withdrawal liability. The three remaining small local contractors were left with the liability created primarily by the departed national contractors.

The remaining contractors are struggling with strong non-union competition as well as the increasing burden of the funding requirements of the Plan. Of the three remaining contractors, one began shutting down operations in , the second is currently out of jurisdiction and is not performing any services that would require them to contribute to the Plan, and the third remaining contractor has been left with the retiree burden created by the other contractors during the 1970's and 1980's.

You were notified in a letter dated August 22, 2007, that your request had been tentatively denied and a conference of right was held on October 2, 2007. While the Plan's remaining contributing employers have suffered substantial business hardship, even if the funding waiver were granted, the remaining contractors would not be able to make periodic payments to the Plan sufficient to cover both the amortization payments on the funding waiver plus the future ongoing cost of the Plan.

Because the remaining contractors are unable to satisfy future minimum funding requirements, and it is unreasonable to assume that the Plan will continue only if a funding waiver is granted, your request for a waiver of the minimum funding standard for the plan year ending December 31, , has been denied.

This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

We have sent a copy of this letter to the \_\_\_\_\_ and to your \_\_\_\_\_  
to the \_\_\_\_\_  
authorized representative pursuant to a power of attorney on file in this office. If you  
have any questions concerning this matter, please contact \_\_\_\_\_  
at \_\_\_\_\_

Sincerely yours,



Michael D. Julianelle  
Director, Employee Plans